

PUBLIC PURCHASES

AUDITORS' SPRING
CONFERENCE
2014

PUBLIC PURCHASES DEFINITIONS IC 5-22-2

Purchase-to buy, procure, rent, lease, or otherwise acquire.

Purchasing Agency-the governmental body that is
authorized to enter into contracts.

Purchasing Agent-the individual authorized by a purchasing
agency to act as agent for the purchasing agency.

Supplies-equipment, goods, and materials.

PURCHASES LESS THAN \$50,000

- You may use your Small Purchase Policy to purchase supplies. [IC 5-22-8-2]

PURCHASES BETWEEN \$50,000 AND \$150,000

You may purchase by inviting quotes from at least three persons known to deal in the lines or classes of supplies to be purchased.

Mail invitations to quote at least seven days before the time fixed for receiving quotes.

Award the quote to the lowest responsible and responsive offeror.

If you do not receive a quote, you may purchase the supplies under IC 5-22-10-10, the Special Purchasing Law.

PURCHASES GREATER THAN \$150,000 [IC 5-22-7]

- You must issue an invitation for bids.
- Invitation must include:
 - Purchase description
 - Contractual terms
 - Statement of evaluation criteria to be used
 - Time and place for bid opening
 - Certified check requirement
 - Cancellation or rejection conditions

NOTICE OF INVITATION TO BID

- In the manner required in IC 5-3-1
- Advertise two times, one week apart, with the second notice published at least seven days before the date you will receive the bids.
- Can provide electronic access to the notice. [IC 5-22-7-5]

PUBLIC OPENING OF BIDS

- Purchasing agent shall open bids publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids.
- Bids must be unconditionally accepted without alteration or correction and evaluated based on the requirements in the invitation for bids.

AWARD OF CONTRACT

- Contract must be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder.
- Within thirty days after acceptance of an offer, the purchasing agent shall deliver in person or by first class mail to the successful offeror the original of each purchase order or lease, retain a copy, and file a copy for public record and inspection with the fiscal officer. [IC 5-22-18-5]

SPECIAL PURCHASING METHODS

IC 5-22-10

- Situations where purchases may be made without soliciting bids or proposals
- Emergency conditions
- Unique opportunity for substantial savings
- Auctions
- Data Processing contracts
- Compatibility of equipment, accessories, parts
- Impairment of function
- Failure to receive a responsive bid
- Evaluation of supplies or system
- Discount
- Single Source of Supply
- Price equal to or less than Federal Supply Services Schedule
- Contract with Federal or State agency
- Other

PURCHASING PREFERENCES

IC 5-22-15

- Recycled supplies
- Soy/bio diesel fuel
- Indiana business
- Indiana local business
- Supplies manufactured in the U. S.
- Coal mined in Indiana
- Indiana small business
- High calcium food
- Forced labor supplies
- U.S. steel products

OTHER PURCHASING CONSIDERATIONS

- Department of Corrections supplies and services
- Rehabilitation Center products
- Nonprofit agencies
- Small business set aside
- Bio-based products

OTHER CONSIDERATIONS

- Request for proposals [IC 5-22-9]
- Cooperative purchasing through an Interlocal agreement [IC 36-1-7]
- Online Reverse Auctions [IC 5-22-7.5]
- Purchase of Services [IC 5-22-6]
- Duration of contracts/Renewal [IC 5-22-17]
- Evidence of Financial Responsibility [IC 5-22-16-5]
- Forms

FORMS

- Special Purchase Contract List
- Register of Proposals
- Index to Specifications
- Bid Record for Invitation to Bid
- Checklist for Invitation to Bid
- Non Collusion Affidavit

PUBLIC WORKS REQUIREMENTS

IC 36-1-12

- Definitions
- Public Work-construction, reconstruction, alteration, or renovation of a public building, airport facility, or other structure that is paid for out of a public fund or special assessment.
- The term includes the construction, alteration, or repair of a highway, street, bridge, sewer, drain, or other improvement that is paid for out of a public fund or special assessment. The term also includes any public work leased with an option to purchase.